

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

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December 14, 2004

**FROM:**           **DAVID H. SLAUGHTER**, Director  
Real Estate Services Department

**LEYDEN HAHN**, Chief Information Officer  
Information Services Department

**SUBJECT:**       **LICENSE AGREEMENT WITH AAT COMMUNICATIONS CORPORATION**

**RECOMMENDATION:** Approve a five-year license agreement with AAT Communications Corporation (AAT), successor to Communications Management Company (CMC), for antenna tower and rack space for the Information Services Department (ISD) at Black Peak near Parker, Arizona from January 1, 2005 through December 31, 2009, in the amount of \$50,970.

**BACKGROUND INFORMATION:** On November 30, 1981, the Board approved a license agreement, No. 81-750, with CMC for antenna tower and rack space for the County's 800 MHz radio system at Black Peak near Parker, Arizona. The original term was from January 1, 1982 through August 31, 1993. In the 23 years since the license agreement was originally approved, the Board has approved four amendments, which are summarized below:

<u>Amend. No.</u>	<u>Approval date</u>	<u>Action</u>
1	Aug. 5, 1985	• Increased the annual rent from \$600 to \$900
2	Nov. 27, 1989	• Added additional rack space
		• Extended the term from September 1, 1989 through August 31, 1994
3	April 11, 1995	• Increased the annual rent from \$900 to \$1,800
		• Extended the term from September 1, 1994 through August 31, 1999
4	Sept. 28, 1999	• Increased the annual rent from \$1,800 to \$5,136
		• Extended the term from September 1, 1999 through August 31, 2004
		• Added County child support language

In June 2000, ISD received notice that the Black Peak site had been sold to AAT. ISD forwarded the notice to Real Estate Services Department (RESO) and requested RESO contact AAT about a new contract. AAT proposed a new agreement for use of the site; however, because of the existing agreement with CMC, the County declined to negotiate a new contract with AAT that increased the annual fee. RESO contacted AAT prior to the August 31, 2004 termination date of the existing license agreement, but the agreement went into holdover as a result of protracted negotiations regarding the annual fee.

Page 1 of 2

Record of Action of the Board of Supervisors

40

The terms of the license agreement are summarized as follows:

Lessor: AAT Communications Corp.  
(Peggy Woodruff-Migas, Vice President, Contract Administration)

Location: Black Peak near Parker, Arizona

Term: Five years commencing January 1, 2005

Options: None

Annual fee: \$9,600

Annual increases: 3%

Improvement costs: None

Maintenance: Provided by County

Electricity: Provided by County

Right to terminate: County has the right to terminate only in the event of interference and certain other circumstances which would reduce or eliminate the County's ability to use the site for the communications purposes set forth in the agreement.

**REVIEW AND APPROVAL BY OTHERS:** This item has been reviewed by County Counsel (Fiona Luke, Deputy County Counsel, 387-5474) on October 25, 2004; ISD (David Buchanan, Network Services Supervisor, 387-3777) on November 24, 2004; and the County Administrative Office [Daniel R. Kopp (387-3828) and Tracy Lindsay (387-4659), Administrative Analysts] on December 6, 2004.

**FINANCIAL IMPACT:** The total cost of the five-year license agreement is \$50,970. The total cost for fiscal year 2004-05 will be \$9,600 (first annual fee). Payments will be made directly from ISD's budget (IAM MHZ).

Annual license fees and additional costs are as follows:

<u>Year</u>	<u>Annual rent</u>	<u>Estimated electrical costs</u>
January 1, 2005 thru December 31, 2005	\$ 9,600	\$1,200
January 1, 2006 thru December 31, 2006	9,888	1,225
January 1, 2007 thru December 31, 2007	10,185	1,250
January 1, 2008 thru December 31, 2008	10,491	1,275
January 1, 2009 thru December 31, 2009	10,806	1,300

**COST REDUCTION REVIEW:** The County Administrative Office has reviewed this agenda item, concurs with the department's and RESD's proposal, and recommends this action based on the continuing need for a communications site in the Parker, Arizona area in order to maintain the 800 MHz system. The license can be terminated only in the event the site cannot be used for the communications purposes set forth in the agreement.

**SUPERVISORIAL DISTRICTS:** All

**PRESENTER:** David H. Slaughter, Director, 387-7813

CP: 387-7816 bas: 387-7832